

Multiple Agency Fiscal Note Summary

Bill Number: 1694 S HB 1694-S	Title: Home care workforce shortage
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Estimated Cash Receipts

Agency Name	2023-25			2025-27			2027-29		
	GF-State	NGF-Outlook	Total	GF-State	NGF-Outlook	Total	GF-State	NGF-Outlook	Total
Department of Social and Health Services	0	0	430,000	0	0	213,000	0	0	156,000
Department of Health	0	0	(1,208,000)	0	0	(1,188,000)	0	0	(1,183,000)
Total \$	0	0	(778,000)	0	0	(975,000)	0	0	(1,027,000)

Estimated Operating Expenditures

Agency Name	2023-25				2025-27				2027-29			
	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total
Washington State Health Care Authority	Fiscal note not available											
Department of Social and Health Services	1.9	2,288,000	2,288,000	2,718,000	1.5	863,000	863,000	1,076,000	1.0	154,000	154,000	310,000
Department of Health	(2.3)	1,172,000	1,172,000	(88,000)	(3.2)	353,000	353,000	(980,000)	(3.8)	192,000	192,000	(1,144,000)
Total \$	(0.4)	3,460,000	3,460,000	2,630,000	(1.7)	1,216,000	1,216,000	96,000	(2.8)	346,000	346,000	(834,000)

Estimated Capital Budget Expenditures

Agency Name	2023-25			2025-27			2027-29		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Washington State Health Care Authority	Fiscal note not available								
Department of Social and Health Services	.0	0	0	.0	0	0	.0	0	0
Department of Health	.0	0	0	.0	0	0	.0	0	0
Total \$	0.0	0	0	0.0	0	0	0.0	0	0

Estimated Capital Budget Breakout

NONE

Prepared by: Breann Boggs, OFM	Phone: (360) 485-5716	Date Published: Final 2/24/2023
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Individual State Agency Fiscal Note

Bill Number: 1694 S HB 1694-1	Title: Home care workforce shortage	Agency: 300-Department of Social and Health Services
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

ACCOUNT	FY 2024	FY 2025	2023-25	2025-27	2027-29
General Fund-Federal 001-2	295,000	135,000	430,000	213,000	156,000
Total \$	295,000	135,000	430,000	213,000	156,000

Estimated Operating Expenditures from:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	1.8	2.0	1.9	1.5	1.0
Account					
General Fund-State 001-1	866,000	1,422,000	2,288,000	863,000	154,000
General Fund-Federal 001-2	295,000	135,000	430,000	213,000	156,000
Total \$	1,161,000	1,557,000	2,718,000	1,076,000	310,000

Estimated Capital Budget Impact:

NONE

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- Capital budget impact, complete Part IV.
- Requires new rule making, complete Part V.

Legislative Contact: Chris Blake	Phone: 360-786-7392	Date: 02/14/2023
Agency Preparation: Mitchell Close	Phone: 3600000000	Date: 02/23/2023
Agency Approval: Dan Winkley	Phone: 360-902-8236	Date: 02/23/2023
OFM Review: Breann Boggs	Phone: (360) 485-5716	Date: 02/23/2023

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Significant provisions of the bill and any related workload or policy assumptions that have revenue or expenditure impact on the responding agency by section number.

Section 1 amends RCW 18.88B.010 to add a "Date of Hire" definition.

Section 2 amends RCW 18.88B.021 to remove the provision that the department may define the date of hire and adopt rules determining under what circumstances may have more than one date of hire. This section also adds that a long-term care worker who is not currently certified or eligible to reactivate an expired credential shall receive a new date of hire when beginning to work with either a new employer or returning to a former employer after the end of their employment.

Section 3 amends RCW 18.88B.031 to remove a provision for certification examination eligibility, adds language that allows the skills demonstration or knowledge test to be given on the last day of a student's training, allows a high school or community college to administer the examination, and directs the department to reduce barriers to certification.

Sections 4 and 5 create rules for when a certificate may be reinstated and for forgoing late fees on certain certificates.

Section 6 provides identical directives, protections, and time frames for persons with nursing assistant certificates as provided for those with home care aide certificates in section 5.

Section 7 amends RCW 74.39A.341 to allow a person whose certificate has been expired for less than five years to forgo continuing education requirements in order to restore their certificate to active status.

Section 8 amends RCW 18.88B.041 to expand the list of long-term care workers not required to become a certified home care aide.

Section 9 amends RCW 74.39A.076 to expand the list of long-term care workers required to complete 35 hours of training within the first 120 days after becoming an individual provider.

Section 10 adds a new section to chapter 74.39A RCW requiring the Department of Social and Health Services (DSHS) to report annually beginning June 1, 2025, on the long-term care worker supply, the wages of those workers compared with other entry-level positions, projections for service demands, geographic disparities, and demographic data.

Section 11 requires DSHS to design a pilot project to allow the spouse or domestic partner of a person with complex medical needs who is eligible for long-term services and supports to receive payment for providing home care services to the spouse or domestic partner with a report due to the legislature by December 31, 2023.

Section 12 requires DSHS to study the cost of paying the parents of children under 18 years old who are medically complex or have complex support needs related to their behaviors as well as conduct a pilot for those parents with an income no greater than 300 percent of the federal poverty level to receive payment for providing home care services. An initial report is due by December 31, 2023, and a final report is due by December 1, 2025.

II. B - Cash receipts Impact

Cash receipts impact of the legislation on the responding agency with the cash receipts provisions identified by section number and when appropriate, the detail of the revenue sources. Description of the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explanation of how workload assumptions translate into estimates. Distinguished between one time and ongoing functions.

A portion of the costs incurred to implement this legislation will be funded with federal Title XIX - Medicaid funds.

II. C - Expenditures

Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguished between one time and ongoing functions.

Section 10 requires DSHS to report annually beginning June 1, 2025, on the long-term care worker supply, the wages of those workers compared with other entry-level positions, projections for service demands, geographic disparities, and demographic data. Home and Community Services (HCS) is requesting one WMS2 RDA Research Associate FTE for annual research and reporting to the legislature. This position would start in September 2024 to analyze data and prepare the report.

- FY24: 0.8 FTE for \$129,000
- FY25 and beyond: 1.0 FTE for \$155,000

Section 11 mandates the design of a pilot project to allow the spouse of a person with complex medical needs who is eligible for long-term services and supports through DSHS to receive payment for providing home care services to the spouse. HCS is requesting one contacted project manager for \$182,000 in FY24 to design this project to consider appropriate acuity level, training needs, payment parameters, fiscal considerations and use of Medicaid matching funds, geographic locations for implementing the pilot project, ways to design the project to aid in future statewide implementation, cost estimates for implementing the pilot project, projected number of individuals to be served, and proposed timeline for implementation.

Section 12 directs DSHS to conduct a feasibility study of having parents provide home care services with a report due by December 31, 2023. The Developmental Disabilities Administration (DDA) requests a contract for \$182,000 from July 1, 2023 to December 31, 2023, to complete the study and report.

DDA will need an in-house FTE to design and implement a pilot through December 31, 2025, in order to get completely through the pilot and final report. This FTE will cost \$136,000 in FY24 and \$130,000 in FY25 and FY26.

The pilot itself will serve an estimated 50 clients. Medically complex children average about 170 hours of services per month. Children who have complex support needs related to their behaviors average 58 hours per month. Over the entire population of minors, the average number of assessed hours per month is 70. The 70 hours includes both the medically and behaviorally complex kids. With an hourly rate of \$30.32, the costs per year to provide services are below.

- FY24: \$532,000 (starting Jan. 2024)
- FY25: \$1,272,000
- FY26: \$636,000 (ending Dec. 2025)

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
001-1	General Fund	State	866,000	1,422,000	2,288,000	863,000	154,000
001-2	General Fund	Federal	295,000	135,000	430,000	213,000	156,000
Total \$			1,161,000	1,557,000	2,718,000	1,076,000	310,000

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	1.8	2.0	1.9	1.5	1.0
A-Salaries and Wages	177,000	199,000	376,000	309,000	220,000
B-Employee Benefits	59,000	66,000	125,000	101,000	70,000
C-Professional Service Contracts	364,000		364,000		
E-Goods and Other Services	11,000	12,000	23,000	18,000	12,000
G-Travel					
J-Capital Outlays	11,000		11,000		
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services	532,000	1,272,000	1,804,000	636,000	
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements	7,000	8,000	15,000	12,000	8,000
9-					
Total \$	1,161,000	1,557,000	2,718,000	1,076,000	310,000

III. C - Operating FTE Detail: *List FTEs by classification and corresponding annual compensation. Totals need to agree with total FTEs in Part I and Part IIIA*

Job Classification	Salary	FY 2024	FY 2025	2023-25	2025-27	2027-29
WMS1 - Program Manager	88,824	1.0	1.0	1.0	0.5	
WMS2 - RDA Research Associate	110,004	0.8	1.0	0.9	1.0	1.0
Total FTEs		1.8	2.0	1.9	1.5	1.0

III. D - Expenditures By Program (optional)

Program	FY 2024	FY 2025	2023-25	2025-27	2027-29
Developmental Disabilities Administration (040)	818,000	1,402,000	2,220,000	766,000	
Aging and Long-Term Support Administration (050)	279,000	155,000	434,000	310,000	310,000
Total \$	1,097,000	1,557,000	2,654,000	1,076,000	310,000

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.

NONE

IV. D - Capital FTE Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part IVB.*

NONE

Part V: New Rule Making Required

Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.

Rules to be amended would include, but not be limited to, the following:

WAC 388-71-0839

WAC 388-71-0880

WAC 388-71-1001
WAC 388-112A-0090

Individual State Agency Fiscal Note

Bill Number: 1694 S HB 1694-	Title: Home care workforce shortage	Agency: 303-Department of Health
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

ACCOUNT	FY 2024	FY 2025	2023-25	2025-27	2027-29
Health Professions Account-State 02G-1	(606,000)	(602,000)	(1,208,000)	(1,188,000)	(1,183,000)
Total \$	(606,000)	(602,000)	(1,208,000)	(1,188,000)	(1,183,000)

Estimated Operating Expenditures from:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	(2.0)	(2.5)	(2.3)	(3.2)	(3.8)
Account					
General Fund-State 001-1	244,000	928,000	1,172,000	353,000	192,000
Health Professions Account-State 02G-1	(595,000)	(665,000)	(1,260,000)	(1,333,000)	(1,336,000)
Total \$	(351,000)	263,000	(88,000)	(980,000)	(1,144,000)

Estimated Capital Budget Impact:

NONE

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- Capital budget impact, complete Part IV.
- Requires new rule making, complete Part V.

Legislative Contact: Chris Blake	Phone: 360-786-7392	Date: 02/14/2023
Agency Preparation: Donna Compton	Phone: 360-236-4538	Date: 02/24/2023
Agency Approval: Stacy May	Phone: (360) 236-4532	Date: 02/24/2023
OFM Review: Breann Boggs	Phone: (360) 485-5716	Date: 02/24/2023

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Significant provisions of the bill and any related workload or policy assumptions that have revenue or expenditure impact on the responding agency by section number.

This version of the bill adds to the list of entities which can administer and evaluate home care aide examinations, extends the period of time an expired home care aide certification may be reinstated, provides a temporary waiver of fees to renew certain expired home care aide and nursing assistant certifications, removes continuing education requirements for restoring a home care aide certification expired for less than five years, and adds a certification exemption for long-term care workers providing approved services only for a spouse or registered domestic partner and funded through the U.S. Department of Veterans Affairs home and community-based programs. These additions to the bill changed the fiscal impact for fee revenue and costs for rulemaking, program implementation and administration, Health Technology Solutions, and Office of Customer Service, and adds costs for developing a new examination.

This bill lowers barriers to entering the home care aide and nursing assistant workforce by expanding certification exemptions, changing testing requirements to increase testing options and availability, providing long-term care workers a new date of hire when beginning work with either a new employer or returning to a former employer after prior employment has ended, providing additional time for an expired certificate to be reinstated, and providing temporary fee waivers for renewals of certain certificates.

Section 2: Amends RCW 18.88B.021 (Long-Term Care Workers – Certification Requirements) to remove the requirement of the Department of Health (department) to adopt rules determining circumstances a long-term care worker may have more than one date of hire, restarting the person's 200-day period to obtain certification as a home care aide. Adds a long-term care worker who is not currently certified or eligible to reactivate an expired credential shall receive a new date of hire when beginning work with either a new employer or returning to a former employer after prior employment has ended.

Section 3: Amends RCW 18.88B.031 (Long-Term Care Workers – Certification Examinations) to add a certification examination can be administered and evaluated by:

1. A contractor to the department that is an employer of long-term care workers and is a DSHS approved instructor meeting department standards for administering the examination; or
2. A high school or community college that has met department standards for administering the examination.

Additionally, the department is required to examine and authorize innovative ways to reduce barriers to certification and testing.

Section 4: Adds a new section to 18.88B RCW (Long-term care workers) allowing a home care aide certificate expired for five years or less to be reinstated if the person holding the expired certificate: (a) completes an abbreviated application form; (b) pays the necessary fees, including the current certification fee, late renewal fees, and expired credential reissuance fees, unless exempt under section 5 of this bill; (c) provides written declarations; and (e) submits to a state and federal background check as required by RCW 74.39A.056. Additionally, for a home care aide certificate expired more than five years, the bill allows for the certificate to be reinstated by demonstrating competence to the standards established by the Secretary of Health (Secretary) and other requirements established by the Secretary in addition to meeting the same reinstatement requirements for certificates expired less than five years.

Section 5: Adds a new section to 18.88B RCW (Long-term care workers) allowing persons whose home care aide certificate has been expired for more than six months and less than two years to renew their certificate without paying any fees, beginning September 1, 2023. The department must send a notification of this exemption to each person who held a certificate and has failed to renew since January 1, 2020. For persons whose certificates expired since January 1, 2023, the department must allow six months to pass since the expiration prior to sending this notification. The department is also required to adopt rules to assure continuing education requirements are not a barrier for home care aides seeking to reactivate their certificate. This section expires July 1, 2025.

Section 6: Adds a new section to 18.88A RCW (Nursing assistants) allowing persons whose nursing assistant certificate has been expired for more than six months and less than two years to renew their certificate without paying any fees, beginning September 1, 2023. The department must send a notification of this exemption to each person who held a certificate and has failed to renew since January 1, 2020. For persons whose certificates expired since January 1, 2023, the department must allow six months to pass since the expiration prior to sending this notification. The department is also required to adopt rules to assure continuing education requirements are not a barrier for nursing assistants seeking to reactivate their certificate. This section expires July 1, 2025.

Section 7: Amends RCW 74.39A.341 (Continuing education requirements for long-term care workers.) so that persons whose certificate has been expired for less than five years do not need to complete the 12-hour continuing education requirements for their certificate to be restored to active status.

Section 8: Amends RCW 18.88B.041 (Exemptions from training requirements.) to add a certification requirement exemption for individual providers hired after September 1, 2023 who only care for a sibling, aunt, uncle, cousin, niece, nephew, grandparent, or grandchild, including when related by marriage or domestic partnership. Also adds a certification exemption for long-term care workers providing approved services only for a spouse or registered domestic partner and funded through the U.S. Department of Veterans Affairs home and community-based programs.

II. B - Cash receipts Impact

Cash receipts impact of the legislation on the responding agency with the cash receipts provisions identified by section number and when appropriate, the detail of the revenue sources. Description of the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explanation of how workload assumptions translate into estimates. Distinguished between one time and ongoing functions.

Assumptions:

- Current law RCW 43.70.250 (License fees for professions, occupations, and businesses.) requires that the health professions administered by the Department of Health (department) be fully self-supporting and that enough revenue be collected through fees to fund the cost of administering the program. Currently, the Home Care Aide program has a negative fund balance of \$6,741,000, and the Nursing Assistant program has a negative fund balance of \$3,147,000. Costs to implement this bill, and the estimated reduction in licensing revenue, will further draw down the programs' fund balances and increase the fee adjustments needed for the programs to regain positive fund balances.
- Should General Fund-State (GF-S) funding not be provided, the department will conduct another fee study and costs associated with implementing this bill will be considered when setting the fee.
- All licensing revenue for home care aides and nursing assistants is deposited to the Health Professions Account (02G).

Expired Certificate Fee Waiver

Sections 5 & 6: Beginning September 1, 2023 and ending July 1, 2025, late renewal fees and current renewal fees are waived for persons whose home care aide or nursing assistant certificate has been expired for more than six months and less than two years. As the intent of this temporary fee waiver is to increase the number of certified home care aides and nursing assistants, the department assumes any expired certificates eligible for this fee waiver would not have otherwise been renewed absent the fee waiver. Therefore, the department assumes no loss of anticipated revenue as a result of the temporary fee waiver.

Home Care Aide Certificate Reinstatement

Section 4: Currently, home care aide certificates expired for more than one year, but less than three years, can be reinstated through an abbreviated application process, which includes the requirement to pay the current certification renewal fee, late renewal penalty, and expired certification reactivation fee. This bill doubles the length of time a certificate may be expired and still be eligible for reinstated using the abbreviated application process. The department assumes this bill will encourage some individuals whose certificates have expired within the last three to five years to reinstate their certificate; however, based on the lower-than-average renewal rate for home care aides, the number of reinstated expired certificates is not expected to double.

In FY 2021, the Department received 365 expired home care aide certification reinstatement applications. Based on the

department's experience with home care aide certificate renewals, the department assumes this bill will result in a 25% increase in the number of reinstated certification applications. Starting in FY 2024, the department estimates an additional 91 (365 x 25%) home care aide certification reinstated applications each year. The total cost to reinstate an expired home care aide certificate is \$145, including: (1) \$85 certification renewal fee; (2) \$30 late renewal penalty; (3) \$30 expired certification reactivation fee. However, under this bill, these fees are waived for certificates expired for less than 2 years and are required for only those certificates expired between 2 and 5 years. Therefore, the department assumes 25%, or 23 total (91 x 25%) of the reinstated applications will not pay any fees in FY 2024 and FY 2025.

To maintain an active credential status, home care aides must annually renew their certificate and pay the current renewal fee. Washington Administration Code (WAC) 246-12-020 (3) states the initial credential will expire on the practitioner's birthday. Initial credentials issued within ninety days of the practitioner's birthday do not expire until the practitioner's next birthday. Based on this WAC, the department assumes a standard 25 percent of first year applications will need to renew their license in the first year, as their birthday will fall outside of ninety days from issuance of initial credential. Based on the profession's current renewal rate, the department estimates 65% of the reinstated certificates will be renewed each year beginning in FY 2025. Home care aides must pay the \$85 certification renewal fee upon renewal.

Estimated increase in revenue for Home Care Aide Certificate reinstatements:

FY 2024: \$11,000 (68 applications, 15 renewals)
FY 2025: \$15,000 (68 applications, 59 renewals)
FY 2026: \$22,000 (91 applications, 98 renewals)
FY 2027: \$24,000 (91 applications, 123 renewals)
FY 2028: \$25,000 (91 applications, 150 renewals)
FY 2029: \$26,000 (91 applications, 157 renewals)

Family Care Certificate Exemption

Section 8: The Department of Social and Health Services (DSHS) estimates 17% of currently certified long-term care workers qualify for the family care exemption. Based on this assumption, the department assumes a reduction in licensing revenue resulting from the family exemption. In 2022, the department received 8,085 home care aide applications and 21,600 renewals. Based on 2022 applications and renewals, a 17% reduction will result in 1,374 fewer applications and 3,672 fewer renewals for certified home care aides each fiscal year. The current initial application and annual renewal fee for home care aides is \$85, and the examination fee for new applicants is \$137.

Estimated revenue reduction from family care exemption:

FY 2024 and ongoing: (\$617,000) (1,374 applications, 3,672 renewals) each year

Spouse and Registered Domestic Partner Exemption

Section 8: The bill also creates a certification exemption for long-term care workers providing approved services only for a spouse or registered domestic partner and funded through the United States Department of Veteran's Affairs home and community-based programs. Based on the department's experience, very few spouses and domestic partners are certified solely to care for their spouse, therefore the department does not anticipate any impacts resulting from this exemption.

NET CHANGE IN REVENUE AS A RESULT OF THIS BILL:

FY 2024: decrease of (\$606,000)
FY 2025: decrease of (\$602,000)
FY 2026: decrease of (\$595,000)
FY 2027: decrease of (\$593,000)
FY 2028: decrease of (\$592,000)
FY 2029: decrease of (\$591,000)

II. C - Expenditures

Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguished between one time and ongoing functions.

Assumptions:

- Based on the bill expanding which entities may administer and evaluate the home care aide certification exam and the new requirements in the bill for the department to consider remote proctoring of the knowledge examination and expanding the number and type of testing locations, the department will be looking at new models and will need to put out a request for proposals. As a result, the department assumes that it will create a new exam following rulemaking and engagement with interested parties. The department does not assume that it will administer the newly created exam and therefore costs associated with administering this exam are not included in this fiscal note.
- The department assumes the new work required in this bill for examination administration and evaluation and temporary fee exemptions will be funded by General-Fund State to avoid adding to the current negative fund balance for the Home Care Aide and Nursing Assistant programs.

Rulemaking

Section 2 – 8: The department anticipates engaging in two rulemaking projects to implement this bill: 1) A rules project to align home care aide certification requirements and exemptions with the changes made in this bill; and 2) A rules project to implement changes described in the bill for examination administration and evaluation.

1) The department will develop and adopt rules to align home care aide certification requirements with the changes made in this bill and assure continuing education requirements are not a barrier for reactivation. The department anticipates utilizing a team of subject matter experts to implement this bill. This team will consist of the program manager and a community engagement specialist to reach disadvantaged communities and engage them in the rulemaking process. This process will include two stakeholder meetings as well as one formal rules hearing, all held virtually, and will take approximately 12 months to complete. The department anticipates providing the rules hearing announcement and materials in both English and Spanish and providing ASL and Spanish interpretation services at the rules hearing. Costs include staff, associated expenses (including goods and services, travel, intra-agency, and indirect charges), and Office of Attorney General support in the amount of \$4,000.

FY 2024 one-time costs will be 0.2 FTE and \$29,000 (02G).

2) The department will develop and adopt rules for examination administration and evaluation, including examining and authorizing innovative ways to reduce barriers to certification and testing, and establishing standards for expanded administering of the exam. The department will develop and adopt rules to implement changes identified during community engagement activities conducted during FY 2024. The department anticipates rulemaking to start in FY 2025. The department anticipates utilizing a team of subject matter experts for this rules project. This team will consist of the program manager and a community engagement specialist to identify underreached communities and engage them in the rulemaking process. Based on the department's experience with this profession, the department anticipates rulemaking to be complex. Complex rulemaking will require an implementation manager to support subject matter experts and ensure timely completion of rulemaking. This rule package is extended to identify specific groups who have previously had access barrier to engagement with the department as well as giving the department the ability to expand community engagement and conduct additional workshops and listening sessions. This process will include six meetings with interested parties as well as one formal rules hearing, all held virtually, and will take approximately 18 months to complete. The department anticipates providing the rules hearing announcement and materials in both English and Spanish and providing ASL and Spanish interpretation services at the rules hearing and Office of Attorney General (OAG) support in the amount of \$9,000.

Staff costs associated with this rulemaking work are included in program implementation and administration work below. Therefore, translation, interpretation, and OAG services are the only costs identified.

FY 2025 costs will be \$7,000 (GF-S).
FY 2026 costs will be \$4,000 (GF-S).

Program Implementation and Administration

Section 3: The department assumes work in FY 2024 for community engagement, research, and information gathering to develop options for reducing barriers to certification and testing, establishing standards for expanded administering of the exam, and ensuring all requirements specified in this bill are met. The department intends to hire an implementation manager to lead this work.

The department assumes work in FY 2025 will be dedicated to rulemaking (as identified in the rulemaking section) and implementing examination changes identified in community engagement. The department anticipates a large portion of this work will focus on a new certification exam. Based on the department's experience with this profession and this type of work, the department believes this work will take a minimum of one year to develop and implement. Once the exam is implemented, the department believes additional work in FY 2026 will be dedicated to finishing rulemaking, monitoring exam results, and engaging the community to measure impact against intended outcomes and adjust efforts as needed based on information gathered.

In addition to the implementation manager, the department believes it will need to increase staff time dedicated to engaging the community, examination coordination and implementation, as well as the continued monitoring of the new exam process as the subject matter expert.

FY 2024 costs will be 2.0 FTE and \$244,000 (GF-S).
FY 2025 costs will be 2.0 FTE and \$247,000 (GF-S).
FY 2026 costs will be 2.0 FTE and \$247,000 (GF-S).
FY 2027 and ongoing, costs will be 0.7 FTE and \$90,000 (GF-S) each year.

New Examination

Section 3: The department anticipates creating a new examination in FY 2025 based on community engagement conducted in the prior year. Estimated costs are based on an estimate received in 2016 from our current vendor to create a new exam plus 24% inflation.

FY 2025, costs will be \$626,000 (GF-S).

Health Technology Solutions (HTS)

Section 2 - 8: This bill will require configuration in the department's licensing systems and online applications to incorporate the temporary fee exemptions for renewal of expired certificates and changes in requirements for certification.

Starting in FY 2025, configuration in department's Healthcare Enforcement and Licensing Modernization System will require 181 hours from the integration vendor at a rate of \$262.50 per hour. Work will include the initial vendor configuration and agency staff time for ongoing maintenance of updates to user defined fields, creation of 4 new workflows and 4 workflow updates, and updates to interfaces, databases, and reports, and other configuration changes. Costs include staff, associated expenses (including goods and services, intra-agency, and indirect charges), and vendor charges.

FY 2025 costs will be \$48,000 (GF-S).
FY 2026 and ongoing, costs will be \$6,000 (GF-S) each year.

Office of Customer Service (OCS) – Home Care Aide Certificate Reinstatement Applications

Section 4: Starting in FY 2024, there will be costs for credentialing staff to review and process reactivation applications, provide technical assistance, and issue certifications for qualified applicants. In subsequent years, the Department will also process the additional renewals as a result of the increased number of certifications through reactivation. There is also impact to call center, revenue, and renewal units. Costs include staff and associated expenses (goods and services, intra-agency, and indirect charges).

FY 2024 and ongoing, costs will be 0.1 FTE and \$13,000 (02G) each year.

OCS – Family Care Exemption

Section 8: Department of Social and Health Services assumes 17% of currently certified long-term care workers will qualify for the family exemption for those hired after September 1, 2023 and will not be required to be certified home care aides. Based on this assumption, the department estimates a 17% reduction in new applications and renewals received each year beginning in FY 2024. In 2022, the department received 8,085 home care aide applications and 21,600 renewals. Based on 2022 applications and renewals, a 17% reduction will result in 1,374 fewer applications and 3,672 fewer renewals for home care aides each fiscal year. There will be a reduction in staff required to process applications and renewals. There will also be a reduction in impact to the call center and revenue sections. Costs include staff and associated expenses (including goods and services, intra-agency, and indirect charges).

FY 2024 cost savings will be 2.9 FTE and (\$288,000) (02G)

FY 2025 cost savings will be 3.1 FTE and (\$307,000) (02G)

FY 2026 cost savings will be 3.1 FTE and (\$307,000) (02G)

FY 2027 and ongoing, cost savings will be 3.1 FTE and (\$310,000) (02G)

Examination Fees

Section 8: In addition to the application fee, a \$137 examination fee is paid to the department for all new applicants. This exam fee is then paid to the exam vendor by the department. Depending on the outcome of the development of a new exam, this fee may change. However, for the purpose of this fiscal note, the current exam fee is assumed for estimating cost savings resulting from expanded family care certificate exemptions provided in this bill. Based on the assumed reduction in applications of 1,374 per year, the department estimates a reduction of \$188,000 paid each year to the exam vendor.

The department, through the examination vendor, offers the home care aide examination in the following languages: Amharic, Arabic, Chinese, English, Khmer, Korean, Laotian, Russian, Samoan, Spanish, Somali, Tagalog, Ukrainian and Vietnamese. When requested, the department provides an interpreter to read the home care aide examination to accommodate other languages not listed above. Based on 2022 billing data, 31 one-on-one examinations were provided with the support of an individual interpreter, at an average cost to the department of \$732 per examination. Based on the assumed 17% reduction in required exams, the department assumes 5 fewer one-on-one examinations per year, for a savings of \$4,000. Costs include vendor charges and indirect charges.

FY 2024 and ongoing, cost savings will be (\$193,000) (02G) each year.

Discipline

Sections 2 and 8: Based on the department's experience with agency affiliated counselors, another profession that limits licensure based on a specific employer, the department assumes a 3% increase in home care aide discipline resulting from home care aides failing to report leaving one employer for another or for work with a non-qualified employer. Based on the average number of complaints per year for home care aides, the department estimates 26 additional complaints per year.

Based on the average discipline rate for home care aides (3.8% of licensees), the department estimates 192 fewer complaints per year resulting from the assumed 17% reduction in long-term care workers required to be certified as a home

care aide.

The combined net change estimated for home care aide discipline is 166 fewer complaints, resulting in 37 fewer cases in FY 2024, and 38 fewer cases each year thereafter.

The complaint response process includes five steps: 1) intake, 2) assessment, 3) investigation, 4) case disposition, and 5) adjudication. Staff review the complaint, identify the history of the person complained about, and help assess whether an investigation is needed. In more than half the cases, investigation is needed. The investigator obtains information about the complaint and the respondent and prepares a report detailing the findings. After investigation, the disciplining authority decides whether to pursue legal action. Staff attorneys, paralegals, assistant attorney general and other staff work to develop the legal documents and charge the violation. Most cases are settled, and the staff attorney manages that process. If the respondent asks for a hearing, staff must schedule the hearing, and the health law judge considers all legal motions, presides over the hearing, and drafts the final order. Also, the Office of the Attorney General represents the department at hearing and may provide advice throughout the disciplinary process.

Cost savings estimates for the complaint response process associated with this bill were calculated using the department’s Disciplinary Workload Model. Estimated savings in discipline costs include staff, associated costs (goods and services, intra-agency and indirect charges), and Office of Attorney General support in the amount of \$30,000 each year.

FY 2024, costs savings will total 1.4 FTE and (\$156,000) (02G).

FY 2025 and ongoing, cost savings will be 1.5 FTE and (\$178,000) (02G).

TOTAL FISCAL IMPACT:

FY 2024: 2.0 FTE and (\$351,000), (decrease in 02G of (\$595,000), and increase in GF-S of \$244,000)

FY 2025: 2.5 FTE and \$263,000, (decrease in 02G of (\$665,000), and increase in GF-S of \$928,000)

FY 2026: 2.4 FTE and (\$408,000), (decrease in 02G of (\$665,000), and increase in GF-S of \$257,000)

FY 2027 and ongoing: 3.8 FTE and (\$572,000), (decrease in 02G of (\$668,000), and increase in GF-S of \$96,000)

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
001-1	General Fund	State	244,000	928,000	1,172,000	353,000	192,000
02G-1	Health Professions Account	State	(595,000)	(665,000)	(1,260,000)	(1,333,000)	(1,336,000)
Total \$			(351,000)	263,000	(88,000)	(980,000)	(1,144,000)

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	(2.0)	(2.5)	(2.3)	(3.2)	(3.8)
A-Salaries and Wages	(92,000)	(129,000)	(221,000)	(357,000)	(464,000)
B-Employee Benefits	(46,000)	(62,000)	(108,000)	(162,000)	(202,000)
C-Professional Service Contracts	(191,000)	476,000	285,000	(383,000)	(384,000)
E-Goods and Other Services	(15,000)	(9,000)	(24,000)	(44,000)	(52,000)
J-Capital Outlays	4,000	1,000	5,000	1,000	
T-Intra-Agency Reimbursements	(11,000)	(14,000)	(25,000)	(35,000)	(42,000)
Total \$	(351,000)	263,000	(88,000)	(980,000)	(1,144,000)

III. C - Operating FTE Detail: *List FTEs by classification and corresponding annual compensation. Totals need to agree with total FTEs in Part I and Part IIIA*

Job Classification	Salary	FY 2024	FY 2025	2023-25	2025-27	2027-29
ADMINISTRATIVE ASST 3	50,592	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)
Fiscal Analyst 2	53,000	(0.2)	(0.3)	(0.3)	(0.4)	(0.5)
FISCAL TECHNICIAN 2	43,800	(0.1)	(0.2)	(0.2)	(0.2)	(0.2)
FORMS & RECORDS ANALYST 1	45,852	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)
HEALTH CARE INVESTIGATOR 3	78,900	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)
HEALTH CARE INVESTIGATOR 4	87,144	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)
HEALTH SERVICES CONSULTAN 1	55,872	(1.3)	(1.3)	(1.3)	(1.3)	(1.3)
HEALTH SERVICES CONSULTAN 2	66,420	(0.4)	(0.5)	(0.5)	(0.5)	(0.5)
HEALTH SERVICES CONSULTAN 3	75,120	(0.4)	(0.4)	(0.4)	(0.5)	(0.5)
HEALTH SERVICES CONSULTAN 4	82,896	1.0	0.9	1.0	0.5	
Health Svcs Conslt 1	53,000	(0.2)	(0.2)	(0.2)	(0.3)	(0.3)
HEARINGS EXAMINER 3	96,156	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)
MANAGEMENT ANALYST 4	82,896	0.1		0.1		
REGULATORY ANALYST 3	93,840	0.5	0.5	0.5	0.5	0.5
WMS02	114,360	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)
Total FTEs		(2.0)	(2.5)	(2.3)	(3.2)	(3.8)

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.

NONE

IV. D - Capital FTE Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part IVB.*

NONE

Part V: New Rule Making Required

Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.

Sections 2 - 8: The department will adopt rules in Title 246.980 WAC (Home Care Aide Rules).